



State of California

# Employment Training Panel

Arnold Schwarzenegger, Governor

September 2, 2008

Patricia Salinas, Sr. Project Manager, Human Resources  
AT&T  
2600 Camino Ramon  
San Ramon, CA 94583

Transmitted electronically.

Dear Ms. Salinas:

RE: FINAL REPORT for AT&T ET06-0322

Date of the Final Record Review:	06/17/08
Beginning/Ending Time:	11:00 A.M. - Noon
Date of Previous Visit:	08/21/07
Visit Location:	Review of LMS Documentation Via WEBEX
Persons in attendance:	Patricia Salinas- Sr. Project Mgr.& Paul Presutti- Mgr of Training Analysis for AT&T; Chris Mangels, TFP; and Diane Woodside, ETP Analyst
Action Required:	NO

## CONTRACT INFORMATION:

Term of Agreement:	06/30/06 – 06/29/08	Agreement Amount:	\$1,756,040
Training Start Date:	06/30/06	No. to Retain:	3,460
Date Training must be Completed:	03/29/08	Range of Hours:	24 - 70
Type of Trainee:	Retrainee	Weighted Ave. Hours:	38-44

### • HISTORY OF AGREEMENT CHANGES

The Agreement was executed on 07/05/06 and training began on 07/17/06. All training occurred during the Agreement term and prior to 03/29/08. There was one revision to the Agreement to add a Computer Skills course to the ETP-approved curriculum.

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**PROJECT STATISTICS IN ETP's MIS:**

Total Trainees Enrolled:	1731	Completed Training and Retention:	1110
Dropped Following Enrollment:	423		

According to the most recent final invoice reviewed by ETP's Fiscal Unit, the company has been approved to receive a total reimbursement of \$720,797 (41 percent of the Agreement amount). However, according to the contractor's representative, a fiscal close-out invoice 17 has been submitted which will bring the final reimbursement that the company expects to earn to \$832,000 for 1,309 trainees which would result in 47% of the Agreement amount earned. The company representative reported the following as factors in its performance and the provision of less training than originally planned: (1) the hiring of new employees was delayed initially as the U-verse installation had a slower start; and (2) the product was changed as it rolled out requiring troubleshooting and the delay of training until the product changes were made. Even at a rate of 47 percent of the original amount earned, AT&T reported that the program was very beneficial and a substantial number (1,309) of California frontline workers were retrained. All trainees are employed either as service representatives, installers, and technicians and are under collective bargaining.

**INTERVIEW RESULTS WITH AGREEMENT SIGNATORY:**

Your ETP analyst received the following responses (bolded) from you via email:

- What barriers, if any, did your company experience in implementing your ETP project?

***None.***

- What problems, if any, did your company experience with ETP record keeping?

***None. AT&T appreciated the opportunity to use its LMS system to act as the system of record for tracking the completion of training. Our ETP analyst, Diane Woodside, provided considerable technical guidance with regards to the approval of the LMS proposal as well as the ETP data retention requirements going forward.***

- What assistance could ETP have provided that would improve the process for future Contractors?

***None.***

- How did your company benefit from the ETP training?

***ETP funding has allowed AT&T to support the organization's goal of keeping its frontline workers in California skilled with training and knowledge in the latest technologies and services in the communications industry. Providing these new skills to these workers has facilitated AT&T's ability to deliver new services to more communities in California than could have been achieved without the aid of ETP-assisted funding.***

### **ELECTRONIC RECORD KEEPING:**

Paul Presutti, the Manager of Training Analysis for AT&T, led the ETP analyst into AT&T's LMS (called Training Information Warehouse) via WEBEX so that the ETP analyst could view the system and verify the training hours entered for final reimbursement for a sample of trainees. Based on her remote review, Ms Woodside reports that the required data elements were verified in the LMS for a sample of trainees, that the LMS provides data meeting ETP documentation requirements, and that training hours received match the data entered into ETP's on-line system for the sample reviewed. It appears that classes were under the 1:20 trainer/trainee ratio; that courses that were funded are included in the ETP curriculum; that lunch hours were not included in any hours entered into the ETP system for reimbursement; and only eligible trainee data was uploaded into the ETP on-line system. The administrative subcontractor provided an excel spreadsheet which is a legend for how various course titles are to be classified in the ETP curriculum topics. This document has been saved on the ETP Master File drive.

Please note that the finding that the ETP documentation is in order is based only on the training records reviewed during this visit and represents only a limited sample of the training records completed to date. It is AT&T's responsibility to ensure that all training records are in compliance with Panel requirements for auditing purposes even though you utilized an administrative subcontractor.

### **SUBAGREEMENTS:**

An administrative subagreement between AT&T and TFP was submitted and is on file in ETP's Master File drive. It includes the 13% cap on monies earned clause for administrative services. One training vendor, ASAP Professional Services, which actually employs the AT&T instructors, has been entered into ETP's on-line system. Your analyst recommends that you keep any invoices on file to substantiate vendor reimbursement.

### **AUDIT:**

At this time there are no other actions to be taken by AT&T. However, please be aware that the Agreement remains subject to an audit. You will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or "review"). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Cash receipts to verify receipt and accounting of ETP funds

### **RECORD RETENTION:**

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4)

years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding the information in this letter, please contact Diane Woodside, at 650-655-6935 or at [dwoodside@etp.ca.gov](mailto:dwoodside@etp.ca.gov), within ten (10) working days from the receipt date of this letter.

Sincerely,

A handwritten signature in black ink that reads "Creighton Chan". The signature is fluid and cursive, with the first name "Creighton" being more prominent than the last name "Chan".

Creighton Chan, Manager  
San Francisco Bay Area Regional Office

A handwritten signature in black ink that reads "Diane Woodside". The signature is cursive and elegant, with the first name "Diane" being more prominent than the last name "Woodside".

Diane Woodside, Account Analyst  
San Francisco Bay Area Regional Office

cc: Jim Beck, Agreement Signatory  
Paul Presutti, AT&T Mgr. of Training Analysis  
Chris Mangels, TFP  
Chuck Rufo, ETP Audit Manager  
ETP Master File  
ETP Project File